

From: Porter, Rachel
Location: Call-in Number: [REDACTED]
Importance: Normal
Subject: WaterGen's Marked up MTA and NDA
Start Date/Time: Tue 9/12/2017 1:30:00 PM
End Date/Time: Tue 9/12/2017 2:30:00 PM
Mutual confidentiality agreementdraft_MARKED 30082017.docx
Water Gen MTA MARKED 280817 V2.docx

We need to deal with three agreements for this project. The NDA and MTA are merely placeholders, if you will, until we can get the CRADA in place.

- 1) The NDA enables the scientists to talk to each other without a CRADA.
- 2) The MTA enables EPA to accept Water Gen's equipment without a CRADA.
- 3) The CRADA is the project and all that comes with the project. Confidentiality, roles and responsibilities, anticipated outcomes and deliverables, intellectual property rights, etc...

After reading the two attached documents, I want to make two points:

First, EPA has no designs on Water Gen's intellectual property. We fully acknowledge Water Gen's IP rights in what they have developed and can appreciate their investment. The IP terms set forth in the draft CRADA apply to any new developments made while performing under the CRADA. We can certainly talk about these and come to a mutual agreement.

Second, the MTA reads like a work-for-hire. See section 4 of the attached MTA. EPA does not have the authority to evaluate and report on an outside technology. This was explained in the last phone call we had on August 9th. We are authorized to enter into a CRADA, and that is the best vehicle under which we have authority for this project.

Summarily, EPA will not agree to the extensive changes made to the attached documents.

Other comments:

The problem with these two mark-ups is that they move away from the CRADA:

- a) The MTA cannot take the place of the CRADA.
- b) All the IP and other provisions added to the MTA should be in the CRADA.
- c) The NDA removes reference to the CRADA and references the MTA instead.

As I suggested on the phone this morning, I need a conference call with Water Gen's in-house attorney, Liat Barrellie, along with her patent attorney (if she is not one). We can hash out the CRADA and other documents line-by-line, if we have to.

Others on the call should be:

Geoff Cooper

Ardra Morgan or Jay Garland or Chris Impelliteri, , for the purpose of the Statement of Work

Ed Russo, Yehuda Kaploun, or any other person from Water Gen, who needs to sit in.

On the call this morning, we picked Tuesday 9/12 at 9:30 am (US East Coast daylight savings time). I think that would be 4:30 pm in Israel? I would expect at least an hour for the phone call.

Keep in mind that this meeting will be lawyers talking to each other, coming to terms on the three agreements. We may need more than one meeting. Let's see how this first meeting goes. At the least, let's try to get the MTA and NDA in place to avoid any potential delay. Although it sounds like Water Gen is going to be very busy the next few weeks, between Texas and Florida. So I will also ask this question – Does Water Gen need time to come to the table on this project? I'm sure EPA would be OK with that. But in the meanwhile, we lawyers can get the agreements in order.

- Laura